GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1875
ANSWERED ON:14.03.2002
IMPACT OF LIBERALIZATION TRADE POLICY ON IRON AND STEEL
A.P. JITHENDER REDDY

Will the Minister of STEEL be pleased to state:

(a) whether the liberalization of India`s trade policy the import and export of iron and steel materials have undergone sweeping change;

(b) if so, the details thereof; and

(c) the impact observed in the country`s economy following change in the policy?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)&(b): Yes, Sir. Liberalization has substantially enhanced international competitive-ness of Indian steel in the global export markets and exports from India have increased from 0.310 million tons to 3 million tons between 1992 and 2001. Further, the composition of the export basket has also undergone a change with the emphasis shifting to more value added products. Imports, have remained more or less in the vicinity of the pre-reforms level ranging between 1 to 2 million tons per annum.

(c) The change in policy has had an overall positive impact on the economy. Large scale fresh investments in the private sector have resulted in creation of capacities based on state of the art technologies. Liberalization induced competitiveness in the sector has also led to investments for modernization/ and capacity additions in the existing steel plants.